



Memorandum

TO: Police and Fire Department Retirement Plan Board of Administration **FROM:** Theresa Stichler

SUBJECT: Reciprocal Disability Retirement Eric Eastman **DATE:** May 19, 2021

Approved DB *Barbara Hayman*

Date 5/20/21

BACKGROUND

Eric Eastman is a 50 year-old deferred vested member of the Police and Fire Department Retirement Plan with 5.80390 years of San José service. Mr. Eastman became a police officer and a member of the Retirement Plan on 09/24/1995 and resigned on 07/22/2001. He maintained membership by claiming reciprocity. He has been approved for an Industrial Disability Retirement from the California Public Employees' Retirement System (CALPERS) effective 04/17/2021. Consequently, he has also applied for a Reciprocal Deferred Vested Retirement allowance from the City of San José effective 04/17/2021.

ANALYSIS

San José Municipal Code (SJMC) Section 3.36.3020(E) states that a member shall be retired for disability and receive a retirement allowance based on the service credited to the member at the time of retirement **during any period in which the member receives a disability retirement allowance under a reciprocal system, subject to the following limitations:**

1. Such allowance shall not exceed an amount which when added to the allowance paid under the reciprocal system equals the allowance which would be paid for a nonservice-connected (nonindustrial) disability if all the member's service had been credited under the reciprocal system; and
2. Such allowance shall in no event be less than an annuity which is the actuarial equivalent of the member's contributions plus interest accumulated thereon at the rate of two percent per annum calculated as of the retirement date, whether or not the disability is for service-connected (industrial) reasons.

Mr. Eastman received an Industrial Disability retirement from CALPERS, effective 04/17/2021. Staff has verified that the allowance to Mr. Eastman will meet the limitations set forth in the SJMC. SJMC Section 3.36.3020(E) provides that Mr. Eastman be retired for disability from the Police and Fire Retirement Plan since he has received a disability retirement from a reciprocal system. Consequently, the Board is not required to review medical evidence of disability and may approve Mr. Eastman's request for payment of a Nonservice-Connected disability retirement allowance. The disability retirement should be effective 04/17/2021.

Eric Eastman
Reciprocal Disability Retirement Memo
May 19, 2021

It is important to note that Mr. Eastman is eligible for a deferred vested service retirement as he is 50 years of age and his combined years of service exceed 25. Staff is consulting with legal counsel to determine if Mr. Eastman is eligible to receive a Deferred Vested Service Retirement instead of a Nonservice-Connected Disability Retirement which may be required pursuant to the SJMC 3.36.3020(E) due to his disability retirement with CalPERS.

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